

Message Text

UNCLASSIFIED

PAGE 01 SANTIA 11677 092057Z

13-11

ACTION EB-07

INFO OCT-01 AF-08 ARA-10 EUR-12 EA-09 COME-00 INT-05
TRSE-00 OMB-01 FEA-01 CIAE-00 INR-07 NSAE-00 GSA-02
SP-02 L-03 DODE-00 PA-02 USIA-15 PRS-01 STR-04 OES-06
ISO-00 /096 W

----- 065078

R 091904Z DEC 76

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 2529

INFO AMEMBASSY JAKARTA

AMEMBASSY KINSHASA

AMEMBASSY LUSAKA

AMEMBASSY PORT MORESBY

AMEMBASSY CANBERRA

AMEMBASSY PARIS

AMEMBASSY LONDON

AMEMBASSY LA PAZ

AMEMBASSY LIMA

UNCLAS SANTIAGO 11677

EO 11652: NA

TAGS: EMIN, CI

SUBJ: COMMUNIQUE OF THE TENTH CONFERENCE OF MINISTERS OF CIPEC

1. THE TENTH CONFERENCE OF MINISTERS OF CIPEC TOOK PLACE IN SANTIAGO, CHILE DURING THE WEEK OF NOVEMBER 29. THE TEXT OF THE COMMUNIQUE RESULTING FROM THE MEETING IS AS FOLLOWS:

2. BEGIN TEXT. THE MINISTERS OF MINES OF THE EIGHT MEMBER COUNTRIES OF THE INTERGOVERNMENTAL COUNCIL OF COPPER EXPORTING COUNTRIES, OR THEIR REPRESENTATIVES, MET IN SANTIAGO DE CHILE FOR THE TENTH SESSION OF THE CIPEC CONFERENCE OF MINISTERS. OPENED BY GENERAL ARTURO LA TORRE, MINISTER OF ENERGY AND MINES FOR PERU, THE OUTGOING PRESIDENT, THE CONFERENCE ELECTED AS ITS CHAIRMAN FOR A TERM OF OFFICE OF ONE YEAR, MR. ENRIQUE VALENZUELA, MINISTER OF MINES FOR CHILE.

3. THE MINISTERS WERE UNANIMOUS IN STRESSING THEIR CONCERN AND THAT OF THEIR GOVERNMENTS WITH RESPECT TO THE GRAVITY OF THE WORLD
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SANTIA 11677 092057Z

ECONOMIC AND MONETARY CLIMATE, AND PARTICULARLY WITH RESPECT TO

THE TOTALLY INADEQUATE LEVELS OF PRESNET COPPERPRICES ON WORLD MARKETS, INADEQUATE TO MEET THE VITAL NEEDS OF THE EXPORTING NATIONS, INADEQUATE TO PERMIT THE DEVELOPMENT OF THE NEW RESOURCES WHICH WILL BE NEEDED IN COMING YEARS TO COPE WITH INCREASED NEEDS AND THE PROGRESSIVE EXHAUSTION OF THE PRESENT MINES. SUCH A STATE OF AFFAIRS IS EXTREMELY GRAVE FOR THE PRODUCERS AND WILL CERTAINLY ALSO BECOME SO FOR THE CONSUMERS.

4. THE MINISTERS OF CIPEC INDICATE THAT IN ORDER TO FIND SOLUTIONS WHICH MIGHT LEAD TO THE SETTLEMENT OF THIS SITUATION, CIPEC DECIDED IN LIMA, ONE YEAR AGO, TO CALL ON THE CONSUMER COUNTRIES FOR A CONSTRUCTIVE DIALOGUE SO THAT THE MOST EFFECTIVE MEANS FOR STABILIZING THE COPPER MARKET MIGHT BE IDENTIFIED JOINTLY. THE INITIATIVE TAKEN AT THE BEGINNING OF 1976 BY CIPEC IN ENTERING INTO SUCH A DIALOGUE WAS SUBSEQUENTLY TAKEN UP ONCE MORE FOLLOWING THE CONFERENCE IN NAIROBI, WITHIN THE FRAMEWORK OF THE UNCTAD INTEGRATED PROGRAMME ON RAW MATERIALS YET STILL GIVEING THE DISCUSSIONS ON COPPER THE PRIORITY AND IMPORTANCE THAT THEY DESERVE. THE TENTH CONFERENCE OF MINISTERS CONFIRMS ITS DESIRE TO CONTINUE IN THIS DIRECTION AND THE INTENTION OF CIPEC AND OF ITS MEMBER COUNTRIES TO LEND THEIR WHOLEHEARTED SUPPORT TO THE CONTINUATION OF THESE DISCUSSIONS IN THE HOPE THAT THEY MAY RESULT IN AN EFFECTIVE AGREEMENT ON THE STABILIZATON OF THE MARKET.

5. THE CONFERENCE WAS MOST INTERESTED BY THE MESSAGE ADDRESSED TO IT IN THIS CONNECTION BY THE SECRETARY-GENERAL OF UNCTAD.

6. AWARE, MOREOVER, THAT THE COMPLEXITY OF THESE PROBLEMS NECESSARILY INVOLVES QUITE CONSIDERABLE TIME LAGS BEFORE THE ESTABLISHMENT OF A STABILIZATION AGREEMENT, THE CONFERENCE AGREES THAT IT IS VITAL, IN THE INTERIM PERIOD, TO MODIFY THE PRESENT BASIS FOR FIXING THE PRICE IN SALES CONTRACTS. IN ORDER TO ARRIVE AT A NEW FORMULA WHICH WILL BE MORE EQUITABLE THAN THAT PRESENTLY IN FORCE, CIPEC WILL SUBMIT PROPOSALS CONCERNING POSSIBLE NEW PRICING BASES AT THE NEXT MEETING OF THE UNCTAD INTERGOVERNMENTAL GROUP OF EXPERTS ON COPPER. AN EXTRAORDINARY CIPEC CONFERENCE OF MINISTERS WILL BE HELD DURING THE FIRST HALF OF 1977 SO THAT CONCLUSIONS MIGHT BE DRAWN FROM THESE DISCUSSIONS AND ALSO FROM THE COMPLEMENTARY STUDIES WHICH THE CONFERENCE HAS INSTRUCTED THE COMMITTEE ON MARKETING POLICY TO CARRY OUT.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 SANTIA 11677 092057Z

7 IN ADDITION, THE CONFERENCE EXAMINED WITH GREAT ATTENTION THE PROBLEMS RAISED FOR COPPER PRODUCERS BY ACTIVE COMPETITION FROM OTHER RAW MATERIALS. IT RECOGNIZED THAT IT IS OF VITAL IMPORTANCE FOR PRODUCERS TO DRAW UP AN EFFECTIVE AND PERMANENT PROMOTION POLICY AND IT INSTRUCTED THE EXECUTIVE COMMITTEE, HAVING FIRST TAKEN UP CONTACTS WITH ALL THOSE SECTIONS CONCERNED BY SUCH ACTION, TO FORMULATE A PLAN OF ACTION WHICH WILL BE

SUBMITTED AT THIS EXTRAORDINARY SESSION DURING THE FIRST HALF OF 1977. MOREOVER, THE CONFERENCE EMPOWERED THE EXECUTIVE COMMITTEE TO GRANT INTERIM FINANCIAL AID TO CERTAIN NATIONAL COPPER DEVELOPMENT CENTERS WHILE IT IS DECIDED WITHIN CIPEC IN WHAT WAY THE PROMOTION OF THE USE OF COPPER CAN BE ACCOMPLISHED.

8. THE CONFERENCE WAS REMINDED BY SEVERAL OF ITS MEMBERS OF THEIR CONCERN OVER RECENT DEVELOPMENTS CONCERNING THE EXPLOITATION OF METALLIC NODULES FROM THE SEA BED.

9. BEARING IN MIND THE VARIOUS MEASURES DECIDED UPON BY THE CONFERENCE, CIPEC'S BUDGET FOR 1977 WAS FINALIZED BY THE GOVERNING BOARD. THE CONFERENCE ALSO DECIDED, WITH A VIEW TO CLARIFICATION, TO MODIFY THE WORKING OF THAT ARTICLE OF THE CIPEC AGREEMENT CONCERNING ASSOCIATED MEMBERS' CONTRIBUTIONS TO THE ORGANIZATIONS' EXPENDITURE.

10. THE CONFERENCE EXPRESSED GREAT PLEASURE IN ACCEPTING THE INVITATION OF THE INDONESIAN GOVERNMENT TO HOLD ITS NEXT ORDINARY SESSION IN THAT COUNTRY.

11. IN CONCLUSION, THE CONFERENCE EXPRESSED ITS SATISFACTION AT THE CLIMATE OF COOPERATION AND THE SPIRIT OF SOLIDARITY WHICH HAVE REIGNED OVER THE DELIBERATIONS OF THE TENTH SESSION AND IT ONCE MORE CALLED ON ALL COPPER EXPORTING COUNTRIES TO ASSOCIATE THEMSELVES WITH CIPEC, WHICH IS A VITAL INSTRUMENT FOR THE CONTINUATION OF THE DIALOGUE AND COOPERATION WITH CONSUMER COUNTRIES IN THE SEARCH FOR A SOLUTION TO THE GRAVE PROBLEM WHICH IS PREJUDICING THE INTERESTS OF ALL THOSE CONCERNED. END TEXT

12. FURTHER INFORMATION ON CONFERENCE FOLLOWS SEPTEL.
POPPER
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 SANTIA 11677 092057Z

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, EXPORTS, COMMUNIQUE, MINISTERIAL MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SANTIA11677
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760456-0221
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761258/aaaabxsp.tel
Line Count: 154
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: wolfsd
Review Comment: n/a
Review Content Flags:
Review Date: 03 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 JUN 2004 by hattaycs>; APPROVED <04 AUG 2004 by wolfsd>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COMMUNIQUE OF THE TENTH CONFERENCE OF MINISTERS OF CIPEC
TAGS: EMIN, CI, CIPEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006